Portland Harbor Natural Resource Damage Assessment Phase 2: Allocation Summary Memo for Evraz Inc. North America

1.0 INTRODUCTION

Evraz Inc. North America (Evraz), both an owner and operator of sites in Portland Harbor, has engaged in activities resulting in releases of substances of concern. As part of the Portland Harbor natural resource damage assessment (NRDA) Phase 2 process, and for settlement purposes only, the Trustee Council developed a party-specific allocation of natural resource damages liability for 9 sites with which Evraz is associated: 13, 60, 64, 73, 142, 157, 158, 160, and 182.¹ That liability is determined in units of discounted service acre-years (DSAYs). Based on the information gathered throughout the Phase 2 process, methods described in the Trustee Council's allocation methodology report, and data and assumptions described below, Evraz's liability is calculated to be 45.5 DSAYs.

This memorandum summarizes the information the Trustee Council utilized to develop the allocation, and is organized as follows:

- Section 2 provides background information.
- Section 3 describes general operations at the EVRAZ sites.
- Section 4 outlines EVRAZ's activities at their sites.
- Section 5 is a list of references.

¹ The allocation presented in this memorandum is limited to an allocation of natural resource damages liability by the Trustee Council and does not inform or have any application relative to other environmental liabilities associated with the Portland Harbor Superfund Site, including but not limited to remedial liability. The use of "allocation" or "liability" in this memorandum refers only to the Trustee Council's settlement-oriented allocation of natural resource damages liability.

2.0 OVERVIEW OF EVRAZ SITES

Exhibit 2-1 is a map of the EVRAZ sites included in their party-specific allocation, and Exhibit 2-2 outlines background information for each of these sites. The relevant tax lot parcels are described in Appendix A of the Consent Decree associated with the settlement of natural resource damages for these parcels.

EXHIBIT 2-1 MAP OF EVRAZ SITES

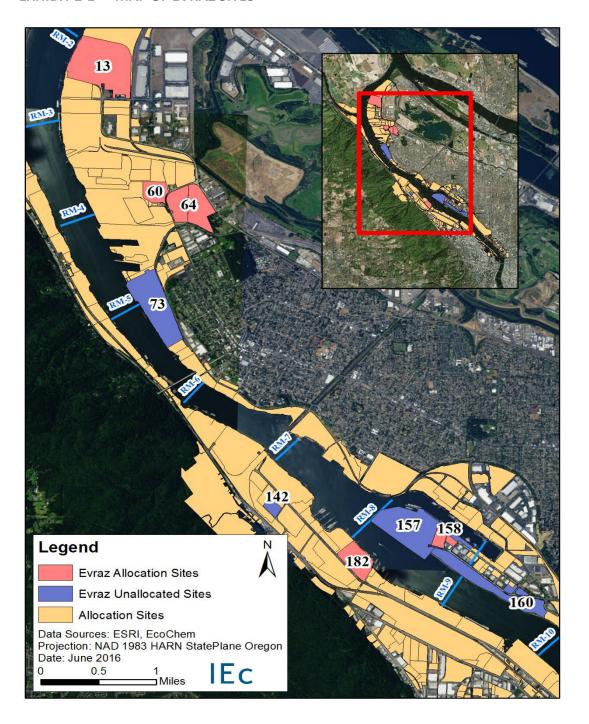


EXHIBIT 2-2 EVRAZ SITE BACKGROUND INFORMATION

SITE ID	ADDRESS ¹	CURRENT OWNER	EVRAZ DATES OF OWNERSHIP	EVRAZ DATES OF OPERATION	SITE ACREAGE
13	14400 N Rivergate Blvd	Evraz Inc.	1967 – Present	1969 – Present	145
60	9040 N Burgard Way	Evraz Inc. (50%) Lampros (50%)	2004 – Present	2004 – Present	25.2
64	11920 N Burgard Street	WMR LLC	1983 – 1997	No operations	84.5
73	10400 North Lombard Street	Port of Portland	NA	1999 – 2001	104
142	6161 NW 61 st Avenue	Metropolitan Service District of Portland, Oregon	1959 – 1980	1959 – 1980	10.4
157	5555 N Channel Avenue	Cascade General/ Vigor Industrial	NA	1947 – 1950	57
158	5815 & 5851 N Lagoon Avenue	Service Steel Inc.	NA	2000 – 2002	14.5
160	N Channel Avenue (various)	Port of Portland	NA	1947 – 1951	93.0
182	4950, 5034, & 5200 NW Front Avenue	Front Ave LP, Tube Forgings of America, CMI Northwest	1955 – 1978	1955 – 1978	44.0

Note.

^{1.} All addresses are located in Portland, Oregon.

3.0 EVRAZ OWNERSHIP AND OPERATIONS

Gilmore Iron and Steel Co., Gilmore Steel Corporation, Gilmore Steel and Supply Co. Inc., Camrose Pipe Corporation dba Columbia Structural Tubing, Oregon Steel Mills, Inc., Evraz Oregon Steel Mills, Inc., and Evraz Inc. North America were allocated as one entity. The following section briefly describes EVRAZ's ownership of and operations at the sites listed in Exhibit 2-2.

SITE 13 (Oregon Steel Mills): The Oregon Steel Mills site, also known as Rivergate, is located adjacent to the Willamette River at river mile 2.4 east. Rivergate was a swampy lowland area that was filled with Willamette River dredged sediments in the 1940s to create the current land. Oil sump operations, steel manufacturing, smelting, recycling, and storage are all past uses. A dock was in use until the late 1970s when iron ore shipments ceased. Evraz's predecessor, Gilmore Steel, purchased the Rivergate property in 1967, and Evraz still owns the site. Current site uses include steel and steel pipe manufacturing, pipe coating, and transportation of steel product. Two landfills are also located on the property. The West Landfill consists of mullite, ceramic refractory, furnace slag, mill scale, and dredged Willamette sediment. The East Landfill consists primarily of spent refractory material. Fueling activities occur on-site and enable the rail and vehicle transportation.

Site 60 (Lampros Properties LLC): The Lampros site is located upland near river mile 4 east. The site has primarily been used by steel manufacturing companies for production and storage of steel products, including recycling, dating back to 1980. During World War II, the property housed the shipyard administration building and parking lot and later was the temporary site for Vanport College. Since 2004, Evraz's subsidiary, Camrose Pipe Corporation dba Columbia Structural Tubing, has had a 50% ownership co-tenancy agreement with Lampros Properties, LLC. The site currently consists of a large warehouse and nearly 20 acres of paved area. Portions of the warehouse space and paved area are used for storage of steel products, parts, and equipment.

Site 64 (WMR LLC): The WMR LLC site is an upland property near river mile 4 east. The site was formerly owned by Union Carbide, whose operations involved calcium carbide and ferroalloy processing from 1941 to 1981 that resulted in substantial wastes. Evraz's predecessor, Gilmore Steel, owned the former Union Carbide site from 1983 to 1997 where the land was leased to tenants. Evraz acquired the property to secure a power contract with the Bonneville Power Administration due to Evraz's high electricity use on nearby sites. WMR LLC has owned the property since 1997 and leases to Northwest Container Services, which stores and repairs seagoing containers and equipment.

Site 73 (Port of Portland Terminal 4 Auto): The Port of Portland Terminal 4 Auto property is located adjacent to the Willamette River at river miles 4.8 – 5.6 east. The Port of Portland has owned the site since 1971. The land was undeveloped until 1973, when Toyota constructed a large auto storage facility and steel dock/yard. The terminal is adjacent to the waterway and is used by Toyota as an automobile unloading, storage, and processing facility. Evraz's predecessor, Oregon Steel Mills, Inc., leased a 20-acre portion of the site for 28 months (1999 – 2001) for steel slab import, handling, and storage.

Site 142 (METRO Central Transfer Station): The METRO Central Transfer Station is an upland site at river mile 7.2 west. Bethlehem Steel used the site as a steel distribution warehouse from 1924 to 1959 and was an owner from 1945 to 1959. Evraz's predecessor, Gilmore Steel, owned the property from 1959 to

1980 and operated a warehouse for steel products and a service center for cutting steel to customer specifications and shipping via truck and rail. The property is currently owned and operated by Metropolitan Service District of Portland, Oregon (METRO) for use as the central waste transfer station.

Site 157 (Portland Shipyard): The Portland Shipyard is located adjacent to the Willamette River, on Swan Island at river mile 8.5 east. Historically, the site has seen heavy industrial use and river contamination from multiple sources. The Port of Portland owned the site from 1922 to 2000. Between 1926 and 1931, the Port constructed an airport on the island. From 1942 to 1949, the U.S. Maritime Commission constructed a shipyard under a lease with the Port. In 1950, the Port converted the shipyard to a public, common-user ship repair yard. Ship repair contractors contracted with vessel owners and operators to perform ship repair work. Evraz's predecessor, Gilmore Steel, leased Bays 10 and 11 (approximately 1.1 acres) in the Assembly Building at the Portland Shipyard from 1947 to 1950 for the storage of steel. Oregon Steel Mills, Inc. leased Bay 1 (approximately 0.61 acres) from July 1995 to January 1996 for storage and assembly of a rolling steel mill for the Rivergate property. In 2000, the Port of Portland sold the ship repair yard to Cascade General. It is currently used for metal fabrication and maintenance of ships as well as land and water transportation.

Site 158 (The Marine Group): The Marine Group Property is an upland site on Swan Island at river mile 8.6 east. Maintenance and warehouse facilities in support of local industrial operations including the Portland Shipyard are conducted on this site. Evraz's predecessor, Oregon Steel Mills, Inc., leased Bay 12 (approximately 1.5 acres) from 2000 to 2002 for fabrication, cutting, storage, and distribution of steel products. The site is currently owned by Service Steel, Inc.

Site 160 (Port of Portland-N Channel Ave.): This Port of Portland site is located adjacent to the Willamette River on Swan Island at river miles 8.5 – 9.5 east. The Port of Portland has owned the property since 1922. Activities that support the Portland shipyard, including ship maintenance, sandblasting of ships, fuel storage, concrete batching, and material storage, are performed on the property. Evraz's predecessors, Gilmore Steel and Oregon Steel Mills, Inc., leased Swan Island "Machine Shop" Building 9 (approximately 1.1 acres) from 1947 to 1951 for cutting, processing, and storage of metal and steel.

Site 182 (Front Ave LP): The Front Avenue LP property is located adjacent to the Willamette River at river miles 8.0 – 8.6 west. Evraz's predecessor, Gilmore Steel and Supply, owned the property from 1955 to 1978 and operated a secondary (scrap metal recycling) steel mill. Electric arc furnace slag from the mill was used partly as fill to expand the site. A settling pond was used for 8 years to separate solids before discharging to the Willamette. Two 20,000 gallon USTs containing bunker C fuel were used to power the mill. Electrical transformers were also used on-site. Currently, Glacier Northwest (Parcel #1) operates a concrete batch plant, and Tube Forgings of America (Parcel #2) operates a carbon steel pipe fitting factory. CMI Northwest (Parcel #3) uses the site for lumber storage. Front Avenue LP, Tube Forgings of America, and CMI Northwest are listed as current owners of the site.

4.0 EVRAZ ACTIVITIES

Exhibit 4-1 identifies, for each of EVRAZ's properties in Appendix A of the Consent Decree, the activities that had the potential to result in the release of one or more of the substances of concern included in the Trustee Council's evaluation of natural resource damages. These types of activities are further described in the Trustee Council's allocation methodology report.

EXHIBIT 4-1 EVRAZ-RELATED ACTIVITIES¹

Evraz Activities – Site 13				
above-ground storage tank (AST) diesel				
AST gasoline				
AST hydraulic fluid				
AST kerosene				
AST other petroleum/unknown petroleum				
Creosote treated railroad ties				
Creosote treated wood pilings				
Extensive vehicle operations				
Fueling operations				
Hydraulic fluid use				
Hydraulic oil leakage/spills				
Landfill of dredged sediments-Willamette prior to 1980				
Oil/water separation/filtration use				
PCB containing capacitor use				
PCB transformer use/spills/storage				
Petroleum leaks/spills				
underground storage tank (UST) diesel				
UST gasoline				
UST other petroleum/unknown petroleum				
Evraz Activities – Site 60				
Landfill of dredged sediments-Willamette prior to 1980				
Evraz Activities – Site 64				
Creosote treated railroad ties				
Landfill of dredged sediments-Willamette prior to 1980				
Evraz Activities – Site 158				
Steel Fabrication				

Evraz Activities – Site 182		
Creosote treated railroad ties		
Creosote treated wood pilings		
Extensive vehicle operations		
Landfill of construction and demolition debris		
Lubricating oil used in manufacturing		
Sandblasting for other than boats or vessels		
Scrap metal yard operation		
Slag storage or landfilling		
Steel manufacturing		
Sump discharge at Site 182		
UST bunker c		

Note.

1. Evraz did not conduct any relevant activities on Sites 73, 142, 157, and 160.

5.0 REFERENCES

Lower Willamette Group. 2009. Portland Harbor Draft Remedial Investigation Report. Prepared by Integral Consulting, Inc., Windward Environmental LLC, Kennedy/Jenks Consultants, and Anchor QEA, LLC.

Oregon Department of Environmental Quality. 2013. Environmental Cleanup Site Information Database. https://www.deq.state.or.us/lq/ECSI/ecsiquery.asp?listtype=lis&listtitle=Environmental+Cleanup+Site% 20Information+Database

Portland Harbor Natural Resource Trustee Council. 2022. Portland Harbor Natural Resource Damage Assessment: Allocation Methodology Report. Prepared by Industrial Economics, Incorporated.

The Trustee Council also reviewed 25 additional documents submitted by Phase 2 parties that are settlement confidential and therefore not identified.